

DP's consultation Meeting:

5 October 2016

Ministry of Federal Affairs and Local Development.

Honorable State Minister, MoFALD

Secretary

Your Excellences, DP Chair, Co-Chair, Head of the Missions, UN Representatives,

Fellow Joint Secretaries, Director and Deputy Directors

Representatives from NPC and Ministry of Finance,

Representatives from development partners,

Friends from media,

Ladies and gentlemen,

1. Firstly, I would like to thank all the Development Partners who accepted our invitation to attend this program. I sincerely appreciate the contribution made by Development Partners in Nepal's local governance and socio-economic development. On this occasion, I express special thanks to the continued support provided via the Local Governance and Community Development Programme on behalf of the Ministry of Federal Affairs and Local Development.
2. At present, the Government's main priorities include; implementation of the Constitution, reconstruction and rehabilitation of earthquake devastations, logical conclusion of the peace process, achieving economic prosperity, effective service delivery and promotion of good governance. I would like to inform that the government is dedicated and working towards achieving these priorities.
3. It has been a year since the constitution promulgated. In this regard, I would like to shed some light on it. This Constitution has vowed to end the all forms of discrimination and inequalities that existed in the Nepali society, and has created equal rights and opportunities to the people while paving ways a prosperous for future of Nepal. Whether it is related to fundamental rights or inclusive governance, or empowering citizens with their rights, this Constitution is very progressive compared to its predecessors. Nepal has entered into a new era with the promulgation of the constitution. As expressed by the Honorable Prime Minister on the occasion of 1st anniversary of the Constitution, the Constitution has kept its citizens at the heart and redefined a new dimension of relationship between the state and its citizens.

4. Today, I would like to express few things on the implementation of federalism. As mentioned earlier, it is a substantial achievement of the constitution of Nepal stepping on federal democratic republic system of governance from a unitary system of government. The constitution has recognized a federal system and principles of better coordination and cooperation, co-existence for self and shared governance for the federal government system. In this regard, the constitution has guaranteed the rights and responsibilities at each level of state, province and local level while ensuring that these rights are exercised by the elected representatives. Experts have mentioned that these rights and responsibilities bestowed upon province and local level are far more progressive compared to constitutions rights of many other countries.
5. This rights and responsibilities bestowed upon state and local governments have ensured democratic practice whereby citizens are empowered to exercise their rights while on the same time, ensuring they receive effective services from local governance mechanism.
6. It is indeed challenging to delegate constitutional rights and responsibilities to provincial and local government while simultaneously bringing them to work. The Government of Nepal has to transfer rights to provincial and local government from unitary system while also establishing new structure and administrative set up, and making them functional. It is a historic opportunity for Nepal to establish a responsible, accountable and inclusive governance mechanism. If this transition does not happen as envisioned, there will be challenges in the future that cannot be overlooked. Federal governance system is a new practice for a country like Nepal. Hence, it is the need of the hour to move forward while incorporating relevant learning and experience from other countries in accordance to our local context and needs. In this regard, I expect support from development partner countries and international organizations.
7. I want to state the efforts made by the Government of Nepal with regards to the Constitution and the implementation of federal governance system. The Government of Nepal is committed to complete the tasks set by the constitution within the stipulated time. The high court has been established as per the constitution within the year of its announcement. Language commission has been formed. Likewise, required laws and legislation for the formation of National Women's Commission, the National Dalit Commission, Indigenous Commission, Madhesi Commission, Tharu and Muslim Commission has been formulated. The bill has been tabled at the parliament for approval.

Within six months of promulgation of the constitution, Local Level Restructuring Commission has been formed which has started its work with intensity. Followed with broad discussions held with major political parties on the numbers, LLRC has made recommendation to the government with additional criteria to make district "ILAKA" as also one of the main consideration for restructuring. The government is confident that after the determination of numbers and boundaries, efforts for local level election will escalate.

The Government of Nepal is committed to hold election for all three tiers of Government within the stipulated time (Magh 7, 2074 B.S) as per the constitution. At the moment, it is the main priority of Government to ensure relevant election laws are formulated and

approved to hold local election by April 2017. The government has already ensured budget for the local government. Followed from local election, in order to functionalize local governments, the government has also initiated formulation of relevant legislations. After the local government elections, strengthening institutional capacity development of local government is an important task towards implementation of federalism.

8. Implementation of the Constitution has been an integral part of sustainable peace. On this occasion, I would like to inform that the government of Nepal has been committed to Comprehensive Peace Agreement, consensus between political parties and effectiveness of necessary legislation and structures related to the peace process for sustainable peace building.
9. The GoN have been concentrating its work on reconstruction and rehabilitation caused by the devastating earthquake of last year and to ease the public life. Construction of 25 roads in 12 districts through EEAP is on progress. A grant agreement was competed with 4,60,749 private households and grant agreement with remaining 72,433 households has already been initiated through EHRP. Grievance handling process regarding the data collection of earthquake victims has already been proceeded by the National Reconstruction Authority.

The government focusing on achieving overall economic growth through expanding income generation and employment opportunities to the people by promoting local knowledge and skills while designing and implementing of reconstruction program.

10. The GoN have immensely increased the local government grants in recent years. At the same time it is necessary to expand access on appropriate technologies by promoting effective resource mobilization and reducing fiduciary risk. Establishment of Management Information System (MIS) is on progress to make scientific, reliable and easy distribution of social security allowance. The government has initiated to expand distribution of social security allowance through banking system all over the country.
11. Due to the scattered settlement pattern in Nepal, the development cost of local infrastructure is very expensive and difficulties in providing effective service delivery. Thus, it is imperative to emphasize an integrated settlement development. So far only 27 percent road out of total 53,000 KM road has been maintained as all-weather grade. A total of 368 VDCs are yet to be connected by road network. The Government has implemented road safety program in 41 districts to minimize road accident from current fiscal year. A significant support have been extended from DPs in the areas of physical infrastructure development in Nepal. The Government has been expecting more supports from development partners in the areas of implementing integrated settlement development through scientific land polling, house polling initiatives, upgrading of rural roads and road safety program/projects.

12. The government is fully committed to accomplish the current priority areas such as, to allocate specific roles and responsibilities of local level , to enhance use of modern technology in service delivery, to enhance financial discipline through fiduciary risk reduction, to promote local good governance through monitoring, supervision and facilitation and to ensure effective service delivery by managing transitional service delivery system.
13. Ward Citizen Forums and Citizen Awareness Centers will be effectively mobilized to maintain social harmony and increase awareness against social evils. Efforts will be made towards linking Citizen Awareness Centers with cooperatives and microfinance for their sustainability and self-dependence. Necessary policy framework will be initiated in order to involve and utilize the capacity and experience of Ward Citizens Forum members and institutionalize local accountability.
14. Finally, the Government of Nepal is strongly committed towards meeting constitutional priorities on time to implement federalism. This includes finalizing numbers and boundaries, formulation of laws and acts related to local election including holding of the election on time for strengthening local governance and community empowerment via accountable local government. Needless to say, reducing fiduciary risks, promoting of good governance and effective service delivery is high priority while doing so.

I therefore urge development partners to continue its support in implementation of mentioned government priorities and in strengthening local governance and development.

Thank you !!!